



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Thursday, May 03, 2007

Major Developments

Fierce Storms Knock Out Power to 300,000 Oncor Customers in Texas May 2 200,000 Customers Still Without Power May 3

Fierce storms packing heavy rains and straight-line winds topping 80 mph hammered northern Texas on Wednesday, knocking out power to 300,000 customers of TXU's Oncor Electric Delivery in the Dallas-Forth Worth area. Two-hundred thousand customers remained without electricity as of this morning. The company expects to have most customers restored within two days but indicated that it could be one week before some customers are restored. The storm caused extensive damage including the felling of 12 transmission line towers southeast of Cleburne.

<http://www.star-telegram.com/229/story/89651.html>

<http://www.chron.com/disp/story.mpl/ap/tx/4771014.html>

Reuters, 10:33 May 3, 2007

Electricity

Update: PSEG's 1,174 MW Salem Nuke Unit 1 in New Jersey Exits Outage May 3

The unit exited an outage and ramped up to 21 percent of capacity by early May 3. The unit had been shut since April 30 when grass clogged cooling water intakes for the second time in two weeks.

Reuters, 07:40 May 3, 2007

Bloomberg News, 13:38 May 3, 2007

Update: APS's 1,247 MW Palo Verde Nuke Unit 3 in Arizona Ramps Up to 46 Percent May 3

The unit exited an outage and ramped up to 46 percent of capacity by early May 3. The unit shut on April 12 so that a lube oil pump and bearing in the turbine could be repaired. The restart was delayed when the damage was found to be more extensive than originally thought.

Reuters, 07:57 May 3, 2007

Connectiv Gains State Approval for 1,100 MW Gas-fired Plant in Pennsylvania

On Wednesday, May 2, the Pennsylvania Department of Environmental Protection (DEP) approved water, storage tanks, and air quality permits for the proposed facility. According to the DEP, the company is appealing some provisions of the modifications to the air quality permit. If built, the plant will utilize natural gas as the primary fuel with ultra low sulfur diesel serving as the backup.

Reuters, 12:54 May 3, 2007

New U.S. Coal-fired Power Plant Construction Stymied by Uncertainty Over Potential Emissions Limits- NRG

<http://www.platts.com/Electric%20Power/News/6380110.xml?p=Electric%20Power/News&sub=Electric%20Power>

GE to Supply Additional 600 MW of Wind Turbines to Invenergy

The 1.5 MW wind turbines will be for projects in the U.S. and Canada.

<http://home.businesswire.com/portal/site/moreover/index.jsp?epi->

[content=GENERIC&newsId=20070501006341&&newsLang=en&beanID=1868105982&viewID=news_view](http://home.businesswire.com/portal/site/moreover/index.jsp?epi-content=GENERIC&newsId=20070501006341&&newsLang=en&beanID=1868105982&viewID=news_view)

Sulfur Unit at Shell's 156, 000 b/d Martinez Refinery in California Shut May 2

According to a report filed with a state agency, operators are attempting a restart of the unit. There was no announcement from Shell as to the expected duration of the outage.

Bloomberg News, 09:00 May 3, 2007

Shell to Complete Overhaul of 36,000 b/d FCC Unit at Los Angeles Refinery by May 11

Tesoro has indicated that Shell will complete an overhaul of the 36,000 b/d fluidic catalytic cracking (FCC) unit at the 100,000 b/d Los Angeles area refinery before Tesoro takes control of the facility on May 11. Completion of the FCC work was a condition of the deal.

Reuters, 11:03 May 3, 2007

Anadarko Briefly Shuts Wells in Wyoming Following Fire Started by Lightning

According to a representative of the company, some wells were shut following a fire that damaged some crude oil storage collection tanks at its Salt Creek facility near Casper, Wyoming. Production was brought back on line after the fire was extinguished.

Bloomberg News, 12:43 May 3, 2007

Update: Internal BP Study Faults Senior Executives for Texas City Blast in 2005

Bloomberg News, 13:15 May 3, 2007

DOE Does Not Accept SPR Bids and Suspends Plans for Future Purchases

The U.S. Department of Energy has rejected all offers received from the second solicitation issued this spring that sought to purchase up to four million barrels of crude oil for the U.S. Strategic Petroleum Reserve (SPR). Both solicitations resulted in no awards because the DOE determined that the bids were too high and not a reasonable value for taxpayers. DOE plans to suspend direct purchases of oil for the SPR until at least the end of the summer driving season. The SPR has a capacity of 727 million barrels and currently holds 689 million barrels in inventory.

<http://www.energy.gov/news/5035.htm>

Oil Daily, May 3, 2007

Update: Shell Sees Restart of Nigerian Exports in June

In a conference call, Shell's CFO Peter Voser said the company anticipates exports from the Forcados export terminal in Nigeria to restart in June. He indicated that Shell had restarted some 10,000 b/d of production in the western Niger Delta region where an oil field had been shut for over a year by the violence in the area. Voser indicated that at the present time only some shutdown facilities have been inspected and considerable damage has been observed. However, not all facilities or areas have been accessible and a complete estimate of damage is unavailable, consequently, while restart preparations are underway, safely restoring production will take some time.

Bloomberg News, May 3, 2007

21 Kidnapped in Nigerian Oil Region

At least 21 workers were kidnapped Thursday in separate attacks in Nigeria's oil-rich Niger Delta region. The Movement for the Emancipation of the Niger Delta (MEND) took responsibility. Most of the people seized were foreign oil workers, but some worked at a power plant as well. The kidnappings yesterday bring the total number of foreigners kidnapped in the Niger Delta so far this year to at least 93. In all of 2006 a total of 80 foreigners were seized in the region.

<http://www.chron.com/dispatch/story.mpl/ap/world/4772048.html>

Venezuela Takes Over Operational Control of Orinoco Belt Crude Projects May 1

<http://economictimes.indiatimes.com/articleshow/1994179.cms>

<http://www.chron.com/dispatch/story.mpl/business/4770566.html>

Natural Gas

Sempra Says Problems with Liquefaction Delays Port Arthur, Texas LNG Plans

Sempra's plan for a new liquefied natural gas (LNG) receiving terminal in Port Arthur, Texas could be delayed for a year or two while it works out technical details related to liquefaction.

NGI, Daily Gas Price Index, May 3, 2007, <http://intelligencepress.com/>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices May 3, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	63.04	65.73	72.30
NATURAL GAS Henry Hub \$/Million Btu	7.08	7.60	6.56

Source: Reuters

Energy Notes

EPA Monitoring Tight Gasoline Supply but Rumors of Wavier Requests Prove Unfounded

OPIS 02:07 May 3, 2007

Lightening Causes 14,000 El Paso Electric Customers in New Mexico to Lose Power May 2

http://www.lcsun-news.com/news/ci_5805301

Con Ed Gets Cabbies to Guard Stray Voltage Areas: More than 1,900 Hot Spots Exist

<http://www.newsday.com/news/nationworld/wire/sns-ap-high-voltage-cabs,0,4381020.story?coll=sns-ap-nationworld-headlines>

Fire Breaks out at ExxonMobil's 309,000 b/d Jurong Island Refinery in Singapore May 3

<http://www.platts.com/Oil/News/9160244.xml?p=Oil/News&sub=Oil>

Flaring at Shell's Deer Park Complex Related to Petrochemical Operations, Not Refinery

Reuters, 09:10 May 3, 2007

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/index.aspx>.

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